

Edinburgh Television Festival 2012

James MacTaggart Memorial Lecture

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Good evening.

Being asked to give The James MacTaggart Memorial Lecture is a double-edged sword. It's a huge honour to be asked, and I thank the committee for considering me worthy of addressing our great industry. It is also a massive pain in the ass.

You can't possibly turn it down and from the minute of acceptance, you agonise about how to add value and provide insight, you wonder how you can make a positive difference and have enough to say to be entertaining without unnecessarily upsetting a large number of the tribes of our industry.

Obviously, you also think about what to wear - or, maybe that's only me - but if you had actually invited any other woman over the last 17 years, I am guessing she would have thought about that too. But you didn't. It's amazing. Just how much did Janet Street Porter upset the committee? Did you not even think about Beryl Vertue, Dawn Airey, Jana Bennett, Jane Root, Anne Sweeney, Sophie Turner Laing, maybe even the late and fabulous Andrea Wonfor? No, really?!

However, writing a MacTaggart has been quite a welcome distraction from some of the other nightmares much closer to home. Yes, you have met some of my family before - the committee may be less than keen on women, but by god, you do love a Murdoch.

Hopefully I can do your invitation justice on my own and at the very least put to rest your fear of women.

Of course, I would like to do much more than that. Maybe it's easier for me to say this as an outsider but the reason I've built my company here in the UK is not just because of the glorious weather but because this country has a unique and priceless television ecology that has been built on a sense of purpose and aspiration. I don't believe we always value that as we should. I'm optimistic and ambitious about the future but I think our industry too often is neither. I fear we spend far too much time fighting over crumbs when we should be baking a bigger cake.

For the avoidance of doubt, I am not going to suggest tonight that the way to success is through some quick-fix policy initiatives or that I have any more answers than anyone else. That said, policies such as the terms of trade, and our unique mixed funding mechanisms are essential elements of our unrivaled creative eco system.

What I am going to focus on is what I see as the more fundamental ingredients to our collective success; our sense of purpose which is our motivation as creative people. We are here to tell great stories, to inspire our audience and to build a sense of community.

Of course, I've been acutely aware of how those words and values can slip through our fingers; they're difficult to pin down and it's hard to give them substance or meaning - particularly in front of an esteemed audience like this. Then the Olympics happened and suddenly it's become obvious to all of us what a powerful force aspiration and community can

be. Easy to understand how motivation makes all the difference between failure and success. We have seen the proof that collaboration and competition can co-exist and that we can be an extremely diverse community united in purpose, capable of inspiring a generation.

In the same way that Team GB, from Danny Boyle, to Sebastian Coe, and from the volunteers to our athletes, have changed how we feel as a nation, I want to suggest that we can - and must - change the way we see ourselves as an industry over the next few years. If we embrace the mindset of the Olympians, their determination to contribute, their courage to learn and improve, and their self-awareness to put in the hard work required to minimize that chance of failure - we too can be world champions in this digital age.

I am here for one reason: I love Television. Always have. Always will. Television has been my friend, my comfort, and my window to the world. It has been the source of so many ideas, emotions and experiences - all of which have shaped who I am and helped form my beliefs.

As a young girl in New York, a British immigrant aged five, I was obsessed by everything American: I would rush home from school to watch re-runs of I love Lucy, The Brady Bunch and the Partridge Family. At weekends it was Little House on the Prairie, The Waltons, Sonny and Cher and even The Osmonds. That's how groovy I was.

As I got slightly older I was glued to Welcome Back Kotter, Chico and The Man, All In the Family, The Jeffersons. I was completely transfixed. I had never met characters like Vinnie Barbarino or Arnold Horshack, I had certainly never seen the inside of an American high school. Of course I was unaware that All In the Family was the adapted format of Till Death Do Us Part - but the education I received from Edith and Archie and those heady days of 70's socially and politically astute television was - for a young girl conscious of being a cultural outsider - enormously significant. Television became both a common bond with my family and with the world at large.

Much like we all did a few weeks ago, I watched the 1976 Summer Olympics and was absolutely convinced that I could one day be gymnast Nadia Comanec. The cultural history lessons of my adopted home came through television - from Grizzly Adams, to Hill Street Blues and MASH. I won't go on, I certainly could... I was obsessed with Klinger's cross dressing...

As I became a teenager I witnessed the launch of MTV and simply could not stop watching it!! It was the most exciting thing I had ever seen, launching with those great words "Ladies and Gentlemen, ROCK AND ROLL!". Six months before MTV and the start of my teen fantasy life - came the launch of CNN, coinciding with the development of my political awareness. I watched the Berlin Wall come down live in 1989. I watched one of my heroes, Vaclav Havel, step onto the balcony in Prague and be asked by millions in the square below to become their first president. Through my tears I watched Mandela's long walk to freedom and I watched open mouthed at the audacity and courage of the Tank Man in Tiananmen Square. Television was powerful, it was vibrant and it was shaping me and my generation as we gorged on it. I needed to be a part of it.

From these earliest encounters, I realized how profoundly television shapes our global consciousness and that made me think that the people who made television must be both optimistic and aspirational.

I am firmly with Dennis Potter when he said the job of television is to make hearts pound. No wonder then, that with my somewhat romantic tendencies and possibly a slight genetic disposition to aim high. I was determined to jump in and start making television that changed the world. The reality of course was not quite as grand.

My very first attempt at producing was a weekly slot on the Poughkeepsie local access cable channel for a round up of my college news. To keep costs down I even persuaded my 14 year old brother James to design the logo for free.

I left school and started a two-year internship at Channel 9 in Australia. This was the beginning of what I know was a very privileged professional education and one that I am extremely grateful for. My life has been blessed with opportunities and I hope that I have always tried to make the most of them - taking the rough with the smooth - there have been plenty of both.

I arrived in Australia in 1990, 22 years old and burning bright with dreams of television that would light up the world. Australian network television in those days was a bit like the world of Mad Men. There was a bar in the boardroom, salesmen drank martinis at lunch, and there was not a single woman in senior management. Actually that last part hasn't changed so much yet.

So, I started scheduling promos and ad spots, then moved to programme scheduling, then to promos where I learned the value of 30 brilliantly produced seconds and how relevant and thrilling popular mass broadcasting can be. I returned to the US to work at the Fox owned and operated station group which was the backbone upon which the network was being built. But I was desperate for local TV experience and when an opening for a programme director came up I moved to the Fox station in Salt Lake City. There I was one of two non-Mormons in the building in a city where women seemed to marry at 17. But I did my best to make our Station relevant to a community that regarded our upstart network as downright immoral.

After a few formative years I was ready to move again. By then Fox had secured the network and was turning its attention to the cable market which people like Viacom, Turner and ESPN had dominated for over a decade. I joined as a very junior member of the programming team on the new FX channel and was soon trying to convince cable operators, (every single one of whom, incidentally, wore a cowboy hat) that they should pay 25c per subscriber for a channel that was all about live daytime television broadcast from a loft in cosmopolitan Manhattan. Not a particularly easy sell to real cowboys. But as part of a startup, I experienced the thrill of how a team could work together to create something from nothing.

It also taught me that I could be braver than I felt, and perhaps that was what led me to go out on my own. So, I quit my job and, at 26, with a bank loan underwritten by a father who was very skeptical but largely supportive of any signs of ambition. I bought two small but market leading NBC affiliates in northern California. That brought some interesting new challenges - the most memorable of which was riding in the local rodeo in return for a car dealer's sponsorship. I was trying for Annie Get Your Gun but unfortunately I was much more akin to Calamity Jane. However, what I figured out in front of hundreds of employees who had at least 20 years more experience than me, was that leadership is earned and not bestowed by titles or even share certificates.

The only way to survive was to learn fast, not be afraid to ask questions and to create an environment and culture that was better than the one I inherited. And, if nothing else we

did three smart things as station owners: we fought hard to attract and retain great talent; invested in programming whilst managing costs; and nearly doubled the value of the business.

And that's pretty much how I landed here and had the pleasure of meeting so many of you. I moved to the UK and went back to being a founder's daughter and into quite a familiar Australian culture at Sam Chisholm's Sky. And, in case you were wondering, there was a bar in the boardroom!

Anyway, my first job at Sky was pretty tough. I was put in charge of the satellite installation team based in Knaresborough and the call centers in Livingston not far from here. Let alone understanding the technical aspects of installation and customer call centres. I have to admit now that I could barely understand a single word of what any one said unless I asked them to slow down. But I couldn't have asked for a better understanding of the difference between pay TV and free to air broadcasters: we had customers, not viewers. We actually spoke to them and listened when they spoke. On top of that, the bare-faced audacity of installing millions of satellite dishes up the side people's houses was simply gob-smacking.

The move to digital demanded a massive collaboration across every division of the company so even when I moved to my more natural home of programming, we all had to work closely with the engineers on the construct and design logic of pay per view channels and an EPG. And, if I hadn't clocked it before, negotiating with the Hollywood studios taught me that rights are the fundamental building block of all global media companies.

But the most important thing I learned over the course of my many varied jobs was that my true passion lay in the power of television to form human connections. This was my purpose. I knew that the closer I was to the audience, the happier I felt. So, against the advice of most of those closest to me and to the bemusement of many in our industry, I set off from Sky and swapped an executive package in Isleworth for an empty room off Ladbroke Grove. There I embraced an unknown world where my learning curve was like a brick wall that smacked me in the face every morning.

It would be fair to surmise that starting Shine in 2001 wasn't just a rational business decision - it could have also be classified as an act of willful madness. But at the root of it, it was an act of faith: I set out to build Shine because I believe that television has the power to enliven and enrich people's lives - no matter where or who they are.

I was hugely inspired by our great British producers in the late 90's and first years of this century - it was the time of Pop Idol, Walking with Dinosaurs, Queer as Folk, Cold Feet, Spooks, and The Office. And I knew then that I wanted to create a place that would allow great people to tell great stories.

Although Shine is a global company we subscribe to a very simple belief that we can do more together than we can separately. We live to connect to the audience, it's what gets us up in the morning. We are a company that can only survive on its creative excellence. But I can't mandate creativity. All of us in this room know that throwing money at a mediocre idea does not turn it into a hit show. Creative excellence depends on talent and expertise, of course, but also on motivation. It's motivation which is traditionally the most difficult for big content companies to get their heads around but I believe motivation is the most essential ingredient for any successful creative organization to get right. A hunger for excellence and a passion to resonate with our audience is far more motivating than money or fear.

A great creative organization is like any successful community; it's a place of honesty, integrity, and an environment where curiosity and enthusiasm are the norm. It's a place that demands personal accountability, collective responsibility and true self-determination. It's a place where opportunity doesn't have to wait for a Board meeting; a place that stimulates self-expression and encourages collaborative endeavour.

What I discovered building Shine across different nations and genres is that we share this common belief in our purpose, and that this assertion of community appeals to the very best talent around the world. So, now, in 2012, we are a business that strives to nurture creative people; strives to be a place of creative excellence that is sustainable, with a culture that allows everyone to realize their true potential or go down in flames trying. And we remind ourselves daily to never take this for granted.

When I look back over our journey so far, from a very small office in a tatty bit of Ladbroke Grove, to the global company we are today, there are two particular thoughts I'd like to share. The first is how we chose to respond to the ever-increasing importance of scale, something with which many UK indies struggle, and the second is the importance and the nature of independence.

UK indies are inherently a highly efficient and scalable business model. The global format market which burst forth at the turn of the century gave us, almost uniquely in the world, the opportunity to capitalize on our intellectual property and do the one thing this island has proven time and time again that it is brilliantly able to do - to build sustainable financial health through export. The terms of trade allowed us to attract the capital to expand our businesses and it proved that rights owners without guaranteed advertising or license fee funding are better at exploiting rights than broadcasters.

But one of the things that even the greatest of indies must grapple with is how to protect our freedom while avoiding short-term profit oriented investors and the constant need to refinance or sell equity to grow. I remember a particular presentation to a well-respected VC. After my long heart felt explanation of the format business and the unique opportunities of a British production company, the two key decision makers actually high-fived over the fact that they didn't even watch TV. I died a small death that day. And I resolved never to be beholden to financiers with whom we were not aligned.

The issue is how to achieve scale and so maintain as much financial independence as you can. Scale is not only becoming the norm it is an absolute necessity in an increasingly competitive global market. Greg Dyke was the pioneer. He was one of the first to appreciate the benefits of a plurality of creative supply when at Pearson he bought Grundy and then All American.

But, scale is also essential to spread your risks. Like many of our peers, faced with constant and distracting, re-financing hurdles, I decided to follow Shine's well established mantra and went out to find like-minded people with whom we could achieve more than we could alone. After various considerations it became clear to me that News Corp was the best strategic home for us. Now, I can almost hear you thinking "No Shit Sherlock" but in many ways it was the very last place I wanted to go. I really hadn't spent 12 years on my own just to do what was expected of me! But there was, and still is, irresistible logic to it: News is first and foremost a content company and it believes in taking long-term investments in to creative risks: it built a fourth US network; it believed in The Simpsons; it believed in Seth McFarlane; it

believed in Glee; it backed James Cameron not just once but twice in the gargantuan creative endeavors of Titanic and Avatar. In addition News wanted Shine to provide an alternative worldview, an example of innovation from within - that's what's right about it.

Obviously News is also a company that is currently asking itself some very significant and difficult questions about how some behaviours fell so far short of its values. Personally, I believe one of the biggest lessons of the past year has been the need for any organization to discuss, affirm and institutionalise a rigorous set of values based on an explicit statement of purpose.

The second question facing UK producers is the importance of Independence and, what we mean by Independence when consolidation looks inevitable. Given our acquisition by a major US based company you may wonder why I have the right to claim my allegiance to the UK Independent sector at all but I would argue that, in practice, independence is best judged, not by applying quotas and percentages, but by your ability to behave freely and in a manner consistent with your own strategic business priorities and to that extent independence is about behaviors and those lie in the eye of the beholder.

At Shine, we maintain our own distribution arm independent of the US studio model to be an alternative rather than an adjunct. I saw our ability to control our own rights as essential to maintain our global production priorities. Our broadcaster relationships in France, here in the UK or even Denmark cannot be dictated by anyone other than us. The promise between producers and local broadcasters is to put our audience first.

Our independence from a studio system also provides us with a unique point of difference from the network and cable duopoly in the US. This year alone has witnessed a growing demand for shorter run series both to suit emerging viewer habits and to satisfy a desire for A list talent who can't or won't do the traditional 22 episodes of television a year. This emerging practice is now in open conflict with traditional downstream distribution incomes such as domestic syndication and foreign sales that require such volume.

Our strategic independence from a legacy studio system, combined with significant financial muscle to invest in our talent and our programmes allows Shine to follow our creative instinct with security, and provide new commercial models that challenge the structural design of Hollywood. Don't underestimate the significance of this. It's a point of huge potential competitive advantage, not just for us but for any UK production company.

Speaking of Independence, my brother James spoke about it in his MacTaggart three years ago – a long time ago in our industry but some of you in this room may recall it. Now, James was not talking about the creative and production industry but rather, he was participating rightly in the historic and very real debate about the independence of the BBC which has exercised a long history of people on this platform, from the very first MacTaggart delivered in 1976 by John McGrath. Scores of British TV luminaries have taken positions on long term funding agreements, on charter renewals, on ways to prevent contamination of the BBC by government influence or how to ensure its accountability to the license fee payers. A few have even questioned the legitimacy of the mandatory levy. However, despite a valuable contribution to this debate - James ended his lecture with a line in which he claimed that the only reliable and perpetual guarantor of independence is profit. He clearly intended the statement to be provocative, and it is, but I also think that it deserves further analysis. James was right that if you remove profit, then independence is massively challenged but I think that

he left something out: the reason his statement sat so uncomfortably is that profit without purpose is a recipe for disaster.

As an industry - and indeed I would say as a global society - we have become trapped in our own rhetoric. We need to learn how to be comfortable with articulating purpose and reject the idea that money is the only effective measure of all things or that the free market is the only sorting mechanism. Do we have such faith in the imperatives of the market that we need have no will of our own other than to succeed on its terms? It's us, human beings, we the people, who create the society we want, not profit. It is increasingly apparent that the absence of purpose - or of a moral language - within government, media or business, could become one of the most dangerous own goals for capitalism and for freedom.

"Independence" may be characterized by the absence of the apparatus of supervision and dependency" as James said, but independence from regulation and the freedom we need to innovate and grow is only democratically viable when we accept that we have a responsibility to each other and not just to our bottom line. Profit must be our servant, not our master.

After the past year of scrutiny into our media standards and the sometimes self-serving relationships between the great institutional pillars of our society be they police, politics, media or banking, we would all do well to remember Voltaire's - or even Spiderman's caution, that "With great power comes great responsibility." To be reminded of this is simply to state the obvious - it's not paternalistic or romantic. Without a common statement of purpose there is no credible answer to the Occupy Wall Street movement.

Let's see what the Leveson enquiry recommends but when there has been such an unsettling dearth of integrity across so many of our institutions, it is very difficult to argue for the right outcome - which must be the fierce protection of a free press and light touch media regulation. Sadly the greatest threats to our free society are too often from enemies within.

Commercial purpose and public purpose are not by definition incompatible. In fact, I would argue they can be - and must be - the same thing. And when our institutions feel bereft of meaning, or seem to have lost sight of their humanity, that's when we, the storytellers who love and make television, should be motivated and inspired to create shared human experiences - experiences of love, hope, fear, joy and, perhaps most importantly, of redemption. We have the ability and the skills to remind people that we all belong. As Mandela said, "WE are the people that WE have been waiting for".

But to take on this mission, we have to be fit for our purpose and that means embracing a plurality of voice, a diversity of ideas and a rich tapestry of creative inputs. This has to happen across generations, across social and economic perspectives and across technologies - not just international television boundaries. We have learnt a lot at Shine from the young talent in our social enterprise start-up called The Hatch. Twelve of the team are here today - all under 25, and all brimming with their generation's intuitive expertise in communication, technology and digital self-expression. This generation is still under-represented in the television business and so they are finding their voices, their talent and their audience along other paths of less resistance. Theirs is the DIY generation. They've turned disillusionment into self-determination: rather than wait for a political campaign, they create spontaneous political activism; rather than wait for a job in television they go direct to screen - any screen. I believe they are creating a new kind of politics and a new kind of media in which traditional institutions could easily become impotent. If we are going to remain relevant, we must create real opportunities for them, not because of what WE can teach them

but to find out what THEY can teach us.

Last year Eric Schmidt talked about the exponential pace of technology and argued that we ignore the internet at our peril. I would add that we ignore the rising generation of digital natives at our peril. New forms of content and new audience relationships are being created very rapidly outside our very linear old world. While Hulu and Netflix and Lovefilm, the iPlayer, 4OD and now finally even YouView are all welcome new and varied distribution channels for our made-for-television content, what's much more fascinating is the explosive emergence of a made-for-online video category.

Here are a few things I think worth considering: the first is that like the early days of multichannel television, new networks are being built on platforms like YouTube. Machinima, Makers Studio and Big Frame are networks that stunt schedule, cross-promote, cross-sell and commission content - and they are now commanding audiences of up to 120 million subscribers to their hundreds of channels. These are not just channel brands like MTV and Nickleodeon, but networks like Viacom.

The second is that YouTube is beginning to behave like a market leader: Believe at your own risk that their platform is based on homemade videos of cats in washing machines or a dog called Fenton. This is now a platform that showcases people like Ray William Johnson who makes more than \$1m dollars a year from his comedy channel with over 5 million subscribers and it's a platform premiering the big new series by big names like Bryan Singer. YouTube is providing hundreds of millions of dollars in financial stimulus to its network partners, and using their 800 million unique monthly home page views to curate and promote content.

My third observation is that brands and talent are using YouTube to create direct to consumer relationships. Michelle Phan is the world's most popular make-up expert with over 600 million views. Yes - that's equivalent to a global Olympic audience generated by a 22 year old putting on Lady Gaga makeup. Earlier this year she asked her fans if they wanted to subscribe for ten dollars a month to her home delivery service. Thirty six thousand of them did in the first 24 hours. She is now turning over something like 2 million dollars a year and Lancome is now working with her as a distribution platform that could eclipse any single retail relationship.

Digital platforms can translate audience trust into transactional relationships incredibly efficiently and without the middle men, agents, media buyers or programme makers reliant on broadcast based business models. But YouTube is not re-inventing the wheel. Remember that in their first decade, MTV had very little money for original production, but they like today's YouTube stars, had an authentic voice, they kept programming costs low and curated other people's short videos. They created a community that was crying out to belong but wasn't or couldn't be catered for in the mainstream media of the day. YouTube and their thousands of DIY partners are doing the same thing - just with new and enhanced technology.

Let's not be like the broadcast networks in the United States and come late again to the party that other people are having with OUR audience. Like All3Media or Fremantle, we must all be creating direct-to-audience channels using the platforms, developing networks, gaining the experience, and learning the skills of audience development.

The desire to tell great stories, the impulse to commune with humanity, is not only the inspiration at the heart of our industry, it is the most reliable key to our future. If connecting to an audience is our motivation, and the lens through which we see ourselves, it determines how we sustain a culture of creative excellence and also how we respond to changing

technologies and business models. Let us not forget that we are compelled to connect with the audience through moving pictures and sound. Let's not be entombed by what we once defined as a television screen. Just imagine if the record labels had remembered that their business was to connect people to music - not simply to sell them CDs. Perhaps their industry wouldn't have splintered in the way it has?

I believe the biggest lesson for us to take on board is this; in the same way that we have allowed our priorities to be confused between purpose and profit, we seem to have got the emphasis wrong between building a community and selling a commodity. The imperative to build community has massive implications to how we approach the television business. We all know that the traditional eyeballs based advertiser model is ultimately not sustainable. A model that by definition requires an audience to be seen as a means to an end is not viable. Commercial broadcasters must figure out how to have a real one to one relationship with each and every one of their viewers - if they don't, they are destined to become increasingly marginalized and dependent on the occasional national live events. And, it is not enough to be seeking data to enhance smart ad sales, it's about deepening the relationship with the audience through a two-way meaningful interaction - a true experience. The new world demands that we create services that are sufficiently valued to allow a more interactive and transactional relationship with the viewer. And we need to do it soon. Slapping a hash-tag in the corner of the screen doesn't begin to build a community.

And there's more. Platforms like YouTube aren't limiting their innovation to content. Their latest product for advertisers is TruView - a cost-per-view or engagement model that is radically different from the TV industry's traditional impressions-based approach. The advertiser only gets charged - a premium - when an ad is watched to completion, with the audience getting the chance to skip after 5 seconds. The uptake is astonishing and the audience is empowered. It does what it says on the tin: it's True-View.

Platforms such as Amazon, Netflix, Zeebox, Pinterest, Twitter and Tumblr with their ubiquitous and intelligent services are all coming after our audience relationships. But there is no reason for us to be afraid if we learn and learn quickly. Unlike the decade it took many in this room to adapt to the reality of multichannel television, we don't have that much time. We need to adapt as fast as the audience - just look at how people responded to the BBC's red button and mobile coverage of the Olympics and please let us keep in mind that the iPad is barely 27 months old.

But here's another paradox which threatens to limit our ability to respond to this world of deep engagement with the audience: we too often mistake the possibility for collaboration with the threat of competition. And if we don't have the confidence to collaborate between producers and broadcasters, advertisers and second screen services - we are in danger of losing the battle at just the time when we could be winning. If we are still having debates about product placement, taking intractable positions over distribution windows or splits of back ends, or keeping in place remedial policies such as CRR then we are completely missing the point and obstructing our own recipes for success.

At the moment the BBC seems to be the furthest ahead in understanding that our new world demands new eco-systems. Under the vision and leadership of Mark Thompson, the BBC has been the market leader for building new relationships and services with creatives from every sector. Be it the early groundbreaking Backstage initiative for technology engineers, to the new experimental digital service called Space for British artists, to the recent promise of Project Barcelona, Mark has taken the very purposeful view that experimentation and

collaboration with those that make the stuff that connects the BBC to its audience is a good thing. While this may seem easier and more obvious as part of the BBC's remit, it is the purposeful mentality we must all embrace when our world rewards open participation and punishes plausibly deniable isolationism.

Channel 4 has begun to show small signs of this more open mindset such as the ability for people to embed videos from *Embarassing Bodies* for "non-commercial use on their own websites" - why you would want to do this I'm still not sure. But Channel 4 has also experimented with varied window releases on 4OD and David Abraham has pursued their second screen strategy for better data gathering with relish. And while I am not qualified to discuss the efficacy of the data gathered thus far, I believe it will only reap true rewards when the data is for the benefit of producers and the audience, not just for advertisers.

But in truth, there are very few initiatives of significance being conducted in partnership between producers and broadcasters. It is astounding to me just how little social media functionality or e-commerce partnerships feature on any of the PSBs' players or websites. To my mind, this is exactly the real estate where producers and broadcasters and the audience for that matter, have so much room for collaborative and mutually beneficial ventures together. Ours is a business of mutuality - all of the tribes gathered at this festival are reliant on the health of each other: the commercial broadcasters need each other to be in rude health to keep the ad market buoyant; the BBC needs ITV and Sky to thrive so that they can maintain a position of equality rather than dominance; all channels need a vibrant and competitive production sector to ensure they gain the benefit of a strong creative community, one able to make long term investments in talent and ideas, and one honed by diverse experiences and the need to constantly improve; we producers need a diverse and vigorous UK channels market. While the main PSBs have not increased their original spend over the last 2 years, thankfully Sky and many multichannel operators are now contributing hundreds of millions of pounds creating a renaissance for British scripted series.

Let me put it on the record that I am a current supporter of the BBC's universal license fee. It's what mandates its unique purpose it continues to act as a strategic catalyst to the creative industries of this great country. Though, I do imagine that George Entwistle's biggest challenge may be to demonstrate how efficiently that funding is being spent on actual content on behalf of the license fee payers.

But the tribes of our industry could build so much more together. Commercial broadcasters should be connecting producers with their advertisers for collaborative sponsorship or product placement initiatives. All platforms should take a lesson from retail and share audience data with their producers so that we can respond and improve our product. We should be moving to a world where the terms of trade are a basic right for producers of all original UK IP regardless of their indie status of whether or not the buyer is a PSB. But we must also encourage enough creative collaboration between us so that we may deviate from these terms if it is mutually beneficial to do so. Shine's greatest international relationships are those where we have become true *domestic* partners with our broadcasters - on and off the television screen, united in our mutual dedication to the audience and the mutuality of our success.

Moving from closed to open, control to trust or even fear to confidence is hard. Not least because we fear that we may be letting the genie of technology out of the bottle and destroying all our established certainties and business models. But it is a challenge we must face as an industry and take comfort in it not being unique to our generation.

In 'Brave New World' Aldous Huxley expressed the fear that in a time of infinite technological consumption, we would have no time for culture. None of these examples I've mentioned should suggest that connectivity alone is a substitute for culture. We should not be fooled into thinking that utility-based services, like Facebook or Twitter, negate the need for real public spaces for discourse and reflection that are part of the foundation of a truly democratic society.

Nor should we think that people are watching the technology. As we've just seen with the Olympics, it IS television that has the unique ability to tell the most powerful stories and provides us with the emotional experience that we all crave. It wasn't Twitter that made us cry with Chris Hoy, Jessica Ennis and Mo Farah - it was the power of television. Indeed, believing in technology without acknowledging the need for real community, the need for great storytellers, is as dangerous as trusting in profit as the single guarantor of positive outcomes.

Many years ago, giving this very lecture, the speaker said that "the freeing of broadcasting in this country is very much a part of this democratic revolution and an essential step forward into the Information Age with its Golden Promise, freeing it from the dominance of one narrow set of cultural values, freeing it for entry by any private or public enterprise which thinks it has something that people might like to watch, freeing it to cater to mass and minority audiences, freeing it from the bureaucrats of television and placing it in the hands of those who should control it - the people." The speaker was my Father and, a quarter of a century later, I am still wholly inspired by those words and they are still deeply relevant today.

My Dad had the vision, the will and the sense of purpose to challenge the old world order on behalf of "the people". He literally bet our house on it. My parents spoke to us vividly over the breakfast table about what this purpose meant, and that we could be obliged to be permanent outsiders and constant nomads. But even back then, I understood that we were in pursuit of a greater good - a belief in better.

A generation on its time for us all to revisit that purpose, to be in the service of the people, and to find the strength of character to put it first again. We must believe in better, for our communities, our industry and ourselves. The Golden Promise of the Information Age has never been closer to becoming a reality. Our opportunity and our responsibility is to deliver that promise. And there's plenty of talent in this room to do just that.

A mission to improve the world doesn't turn business into some social agency. It makes business great. The late Steve Jobs said, "being the richest man in the cemetery doesn't matter to me. Going to bed at night saying we've done something wonderful... that's what matters to me". If we want to even contemplate that we have left an indelible mark on time, that we have left behind a legacy like the great cathedral builders of the past, then we have to aspire to be something special and to change and grow. That is the way that we will live on in others. We have to acknowledge and dedicate ourselves to our purpose, which is to tell great stories, to inspire our audience, and to contribute to a sense of community. If we follow this course with diligence and conviction, then we will find that we too are laying the foundations of a new cathedral. This one combining the key stones of both Steve Jobs and Lord Reith.

For 16 overwhelming days, feasting on the BBC's exuberant and unrivalled Olympic coverage, we saw this country assert our community, our excellence, our diversity, our courage and our determination. As our Olympians have inspired a generation so should we be inspired by our forefathers. We can be a new Britain born out of the best of the old Britain.

The wonderful playwright Alan Bennett tells how as a young man he would go to symphony concerts in Leeds and then ride home on the train with many of the musicians who would, as he put it "sit there, rather shabby and ordinary, and often with tab ends in their mouths, worlds away from the Delius, Walton and Brahms that they had been playing." He said: "It was a first lesson to me that ... ordinary middle aged men in raincoats can be instruments of the sublime". Now, it's not for me to describe the UK television industry as middle aged men in raincoats - Janet nailed that one in her speech here 17 years ago - but I will call on us to remember that it is not only our privilege to be "an instrument of the sublime", it's our responsibility.

Thank you for inviting me here tonight it's been a honour and a pleasure. I very much hope that the Committee asks another woman to deliver this Lecture next year, but if it's another Murdoch you're after - I'm afraid my two kid sisters may need just a little more time.

Thank you very much and good night.